

[illegible]

104-5217

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FILE Director of Development and Procurement, DPS

: Contracting Officer, DPS

: Eastman Kodak Co. -- Request for Relief on  
Minicard Equip.

2. The specific points in question were those set forth in letter from Eastman Kodak, CHAL-0303-A, dated 15 August 1958, and a supplemental letter thereto from EK. [redacted] stated, in detail, OCR's position with regard to the additional work and changes and [redacted] gave HTA's views thereon. In brief, neither OCR nor HTA concurred with Eastman Kodak as to reasons necessitating additional work and changes, or the results thereof; however, both OCR and HTA agreed that the Contractor, based on the outcome of the following pending actions, may be entitled to relief to a minor degree.

3. It was agreed, therefore, that a decision by OCR and HTA would be deferred until findings on the following actions could be completed at which time further consideration will be given EK Co's request for relief:

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DOCUMENT NO. \_\_\_\_\_  
NO CHANGE IN CLASS. ☒  
☐ DECLASSIFIED  
CLASS. CHANGED TO: TS S C 2012  
NEXT REVIEW DATE: \_\_\_\_\_  
AUTH: HR 702  
DATE: 3/2/82 REVIEWER: \_\_\_\_\_

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**SECRET**

c. Upon completion of delivery of the Minicard equipment to OCR, now scheduled for November and December 1958, the overall suitability of the system will be determined.

d. Upon completion of delivery of the Minicard equipment to HTA, now scheduled for March 1959, the suitability of this system will also be determined.

4. Since evaluation of the equipment by OCR and HTA, and audit of costs by the Air Force Auditors cannot be undertaken until final delivery of the Minicard systems, it is estimated that a conclusion cannot be reached by OCR and HTA in this matter until after 30 June 1959. In view of this, a final decision as to the extent of relief to be given Eastman Kodak Co. cannot be made within Fiscal Year 1959. It is recommended, therefore, that Fiscal Year 1959 CHALICE funds in the amount of [ ] budgeted under Contract No. EQ-1806 for this purpose be used for other purposes and that Fiscal Year 1960 funds be budgeted later for obligation under the contract.

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*No can  
do. Budget is  
already in.  
(10)*

CONCUR:

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[ ]  
Contracting Officer

DPS/DCI [ ] arp

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**Distribution:**

- Orig. - Addressee
- ✓ 2. - Finance
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